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STEWART ALSOP

The Intelligence Business— Secret Battle for Power

The gathering and evaluation of undercover information has become a critical, costly and highly competitive national enterprise. A distinguished Washington correspondent reports on the men who run it, and on the beneath-the-surface conflicts it generates

AT ABOUT 9:30 on most working mornings Maj. Gen. Chester Clifton, President Kennedy's military aide, comes into the President's office clutching a handful of documents. The papers are likely to include a couple of "eyes only" cables from U.S. ambassadors, intelligence summaries from the State and Defense departments, and the ultrasecret "black book" of the code-breaking National Security Agency. But the document that Clifton almost always shows the President first is a little book which has been put together in the early hours of the morning by the Central Intelligence Agency.

This neatly typed and bound booklet has on its cover the words: INTELLIGENCE CHECKLIST. FOR THE PRESIDENT. TOP SECRET. When the President opens it, he sees on the left page a series of newspaper-style headlines. COMMUNISTS PLAN GUATEMALA RIOTS, a headline might read. On the opposite page a brief factual paragraph might describe, for example, the communist plan to try to topple the military junta in Guatemala by instigating mass riots. Usually there are a dozen or so such items.

Although the President often spends less than 20 minutes on this little book, it helps to make him,

in the words of one intelligence expert, "the best-informed chief of state in the world today." It is John McCone's job to keep him that way.

John McCone is a white-haired, kindly-faced man who has been described by Georgia's Sen. Richard Russell as the second most powerful man in the government. He heads a major postwar industry about which even knowledgeable people know remarkably little. This is the U.S. intelligence industry, which spends upwards of \$2.5 billion a year and employs more than 60,000 people.

McCone has three distinct, vital and overlapping jobs. As a member of the Executive Committee of the National Security Council, he is one of the handful of men who advise the President on the substance of high national policy. As director of the Central Intelligence Agency, he is boss of an empire that employs some 14,000 people—intelligence analysts, spies, propagandists, scientists, specialists in everything from aerial reconnaissance to Urdu. He is also responsible, in the words of a letter to him from the President, for the "effective guidance of the total intelligence effort." Most people sup-

STEWART ALSOP is himself an old hand in the cloak-and-dagger business. Early in World War II he worked with the Special Operations branch of British Intelligence. Then, transferred to the U.S. Army, he was assigned to the Office of Strategic Services, wartime predecessor of the Central Intelligence Agency. A few hours after his transfer, he parachuted into France to join resistance fighters of the Maquis.

pose that CIA has a near-monopoly on U.S. intelligence. This is not so. The "intelligence community" includes the State Department, the Atomic Energy Commission, the Federal Bureau of Investigation. And, in terms of both money and manpower, the Pentagon owns the lion's share of the intelligence industry.

The Pentagon's National Security Agency alone employs more people than CIA, and its building at Fort Meade, Md., is even bigger than the CIA's huge new building in Langley, Va. In addition, all three services have big intelligence setups of their own. So do the Joint Chiefs of Staff. And the Defense Intelligence Agency, newly created by Defense Secretary Robert S. McNamara, will soon spill over from the dark depths of the Pentagon into another huge building of its own in Arlington, Va.

The intelligence community over which McCone is supposed to rule is thus a big one indeed. And it is not a community noted for brotherly love. Intelligence has traditionally been a peculiarly feud-ridden business—for a simple reason. Intelligence is knowledge, knowledge is power; and power is the most valuable commodity in government.

The CIA has been at the very center of all the great crises of the last decade—and has actually *caused* several of them. Where the stakes, in terms of power, are so great, rows and rivalry are inevitable. The CIA has feuded intermittently with the State Department for years.

And, nowadays, it is rather widely believed in the intelligence industry that "Bob McNamara and John McCone are on a collision course."

Despite his placid-seeming exterior, McCone can be very tough indeed. He grants no interviews, makes no speeches. Allen Dulles, McCone's predecessor as CIA chief, liked to involve himself directly in secret operations, and when an agent or station chief—head CIA man in an area abroad—returned to Washington, Dulles would call him into his office, puff on his pipe and pick the CIA man's brains. McCone runs CIA like the big industry it is, on an all-business basis. He holds himself aloof from operations, but he insists on being informed.

Within the CIA, McCone deals almost exclusively with the key men who do the day-to-day running of the agency. [First comes Lt. Gen. Marshall S. Carter, U.S. Army, deputy director nominated by the President and confirmed by the Senate. He makes many of the operating decisions.]

Another key man is Lyman B. Kirkpatrick, Jr., a white-haired, 47-year-old polio victim, confined to a wheelchair. Kirkpatrick's title is executive director—in effect, a sort of chief of staff to McCone.

In terms of money, manpower and responsibility, ex-newspaperman Richard Helms, 49, is certainly a key man. Helms has the innocuous-sounding title of deputy director for plans—D.D.P., as he is known

in the agency. A more accurate title might be chief of espionage and dirty tricks.

The responsibilities of Helms' division fall into several categories. The first is traditional espionage, the gathering of secret intelligence by agents acting under one cover or another. Then there are "special ops," designed to overthrow a hostile government,* to prevent the overthrow of a friendly government, or to mount such a paramilitary operation as the Bay of Pigs assault. There is also the creation and support of a vast variety of "front" and "cover" organizations. All in all, Helms "owns" about half the people in the CIA, and at least until recently the D.D.P. spent most of the CIA's funds.

The chief customer for Helms' secret intelligence is Ray Cline, deputy director for intelligence, or D.D.I., a stocky, sandy-haired man of 45 with a brilliant academic record. Unlike Helms, Cline mounts no secret operations and "owns" no foreign agents. But Cline is a powerful man, too. Allen Dulles is the authority for the estimate that less than 20 percent of intelligence derives from espionage. Cline's corps of analysts, who deal in the other 80 percent, includes experts on everything from "cratology"—the identification of the contents of a crate from its external appearance—to the

*CIA was principally responsible for the overthrow of Iran's Premier Mohammed Mossadegh in 1953, and of Guatemala's pro-communist President Jacobo Arbenz Guzmán in 1954.

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MEDICAL HISTORY OF NIKITA KHRUSHCHEV.

Cline's main function is to see that the intelligence gets to the people who need it and can use it. It was Cline, for example, who made the carefully worded telephone call to McGeorge Bundy that first alerted the White House to "hard" evidence of the Soviet missiles in Cuba.

Cline is also responsible for getting that little book to the President. (His subordinates begin arriving at the CIA building at 3 a.m. each day to read the late cables and put the book together.) Only McNamara, McCone and Secretary of State Dean Rusk get copies of the President's book. Cline's shop also puts out daily, weekly and monthly intelligence summaries.

The fifth key man among McCone's subordinates is Sherman Kent, a brilliant man with a bulldog face, who chews tobacco and talks more like a stevedore than the exp- professor he is. His job is to interpret the intelligence, to say what it *means*—a function at least as important as getting it in the first place. Kent is chairman of a 12-man board which churns out national intelligence estimates.

Making the national estimates is a risky business. On September 19, 1962, for example, the estimators guessed wrong. A national estimate of that date, while recommending an intelligence alert, concluded that the Soviets were unlikely to adopt the "high-risk policy" of placing

missiles in Cuba.* The first Soviet ships carrying missiles had actually arrived in Cuba on September 8. A CIA sub-agent spotted a missile-carrying convoy on the night of September 12. His report was detailed and convincing enough to be rated "hard" intelligence. But because of Fidel Castro's elaborate police apparatus, several days elapsed before the sub-agent could get the report to the chief agent in his area and thence to CIA. Thus the information did not reach CIA until September 21, two days after the national estimate had been issued. The Board of Estimates has, however, done a creditable job over the years, given the inherent imponderables.

[Newly-appointed sixth key man is Dr. Albert D. Wheelon, deputy director for science and technology] A more accurate title might be deputy director for technical espionage, since traditional intelligence methods are rapidly giving ground to such scientific devices as the U-2, reconnaissance satellites, radar, long-range communications intercepts and other, unmentionable, technical means of finding out what the other side is up to.

[WITHIN the CIA, what McCone says goes.] He can hire and fire at will, and he can spend his "unvouchered funds" as he sees fit.

These powers give to the CIA a flexibility unique in the federal bu-

*See "While America Slept: The Complete Story of the Cuban Crisis," The Reader's Digest, March '63.

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reaucracy. To cite one example, just eight months passed between December 1954, when Allen Dulles gave the green light on the U-2, and August 1955, when the U-2 first flew. By Pentagon standards, this was a totally incredible performance. It would have taken the Pentagon bureaucracy at least two years, more probably three, to get the U-2 into the air.

This capacity to act quickly is one of McCone's major assets. When he is wearing his hat as "director of central intelligence," with responsibility for "effective guidance of the total intelligence effort," McCone needs all the assets he can find. For, although what he says goes in the CIA, what he says does not necessarily go in the rest of the nation's intelligence community—and above all in the Pentagon.

Secretary of Defense Robert McNamara spends far more money and "owns" far more people in the intelligence industry than McCone does as CIA chief. And McCone and McNamara are much alike in one way: each is a competitor in his every instinct. "Both Bob and John," says one who knows both well, "like to get thar fustest with the mostest." "Thar" is the center of power—the White House.

The competition between McCone and McNamara has sometimes provided a rather entertaining spectacle. During the Cuba crisis each new crop of U-2 pictures was processed in the early hours of the morning at the photo-interpretation

laboratory in downtown Washington. While the pictures were being developed and analyzed, McCone's CIA man and McNamara's Pentagon man—usually a major general—would breathe anxiously down the necks of the interpreters. As soon as an interesting picture appeared, McNamara's general would grab it and drive like the wind to the Pentagon, where McNamara, a compulsive early riser, would be awaiting him.

The CIA man would grab his copy, race even faster for McCone's house in northwest Washington, rush to McCone's bedside, and shove the picture in McCone's sleepy face. At this instant, the telephone would ring, and McCone would be able—by a split second—to say, "Yes, Bob, I have the picture right in front of me. Interesting, isn't it?"

"All I had to do was trip on McCone's back stoop," one of the CIA's couriers has been quoted as saying, "and McNamara would have won the ball game."

McNamara has made it abundantly clear that McCone's Presidential authority to "guide" the total intelligence effort has certain well-defined limits where the Defense Department is concerned. During a House hearing, McNamara was asked if he was "operating on the intelligence you get from the CIA."

"No, sir," McNamara replied firmly. "I receive information directly from the Defense Intelligence Agency, and that information is

Pentagon."

The Defense Intelligence Agency was created by McNamara on August 1, 1961. There were good reasons for establishing it. The intelligence estimates of the individual services have traditionally been intensely parochial—an example being the wildly-inflated Air Force estimates of Soviet missile and bomber production leading to the myth of the "missile gap." Moreover, there are some things in the intelligence industry which the Pentagon, with its military know-how, can do better than the CIA.

For example, John McCone was probably right when he agreed at the height of the Cuban crisis to turn over the CIA's U-2 surveillance operation to the Air Force. The U-2 operation was then no longer covert, and in the circumstances the sensible thing to do was to make the surveillance effort a straight military operation, as it remains today.

Yet there is one reason why the Defense Intelligence Agency should *not* have been created. There is really nothing much that the DIA can do that the CIA is not doing already. The Army, Navy and Air Force must have their own order-of-battle intelligence, so the three service intelligence units will continue to exist. That being so, the DIA has no choice but to concentrate on the political-strategic intelligence which is the CIA's chief function. Some military men have sensitive political

antennae. A great many, unfortunately, do not.

[Will DIA enlarge its powers at the expense of CIA? The answer to that ultimately depends on the answer to the question: How good is CIA?]

Comparison with its Soviet rival, the K.G.B., suggests that CIA has done reasonably well in total effort over the years. The Soviets have overflowed American territory more frequently than is generally known, but they have had nothing to match the U-2 operation. And although we have had our Bay of Pigs, they have had theirs—Khrushchev's missile adventure in Cuba. The outcome of that adventure proved a total Soviet intelligence failure, in regard to both U.S. intelligence capabilities and the probable American reaction to Khrushchev's challenge.

The K.G.B. has had plenty of other failures. A recent, less obvious example was the communist flop in Iraq. According to CIA estimates, the Soviets invested the equivalent of half a billion dollars in General Kassim's communist-infested dictatorship, hoping to turn Iraq into a Middle Eastern Cuba. Yet K.G.B. had no advance warning of the coup that led to Kassim's assassination in February, and the destruction of the communist apparatus in Iraq. Neither did the British, Israeli or Egyptian intelligence services. The CIA, on the other hand, was "thoroughly clued in."

There is no doubt, furthermore,

that CIA has many able men. "This is the most competent and effective organization I have had anything to do with in private or public life," says John McCone.

While there are those who resent John McCone's tendency to run the organization like a big corporation, men in a good position to judge give both the CIA and McCone himself high marks. One thing is certain. Our intelligence industry is here to stay. There are a lot of things wrong with it: it costs too much, employs too many people and involves too

much rivalry and duplication. But we can never go back to the dear old days before World War II, when U.S. intelligence was largely in the hands of a few elderly female civil servants who tended the attaché files in the War Department. John McCone himself has summed up the best reason why we can't go back:

"Every war of this century, including World War I, has started because of inadequate intelligence and incorrect intelligence estimates and evaluations."



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